

AMENDED IN SENATE SEPTEMBER 1, 2015

AMENDED IN SENATE JUNE 24, 2015

AMENDED IN ASSEMBLY JUNE 2, 2015

AMENDED IN ASSEMBLY APRIL 30, 2015

AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

## ASSEMBLY BILL

**No. 870**

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**Introduced by Assembly Member Cooley**

February 26, 2015

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An act to add and repeal Chapter 1 (commencing with Section 15290) of Part 6.6 of Division 3 of Title 2 of the Government Code, relating to ~~housing, and making an appropriation therefor.~~ *housing.*

### LEGISLATIVE COUNSEL'S DIGEST

AB 870, as amended, Cooley. Homelessness: rapid rehousing.

Existing federal law, the American Recovery and Reinvestment Act of 2009, allocated, until September 30, 2011, \$1.5 billion to the federal Department of Housing and Urban Development for the Homelessness Prevention Fund, to be used for homelessness prevention and rapid rehousing. Existing federal law, known as the Emergency Solutions Grants Program, provides grants to states, local governments, and private nonprofit organizations, as specified, for specified housing assistance activities. Existing law, the California Work Opportunity and Responsibility to Kids Act, provides housing supports to individuals if the administering county determines that the individual or his or her family is experiencing homelessness or housing instability that would

be a barrier to self-sufficiency or child well-being and declares that it is the intent of the Legislature that housing supports utilize evidence-based models, including those established in the federal Department of Housing and Urban Development's Homeless Prevention and Rapid Re-Housing Program.

This bill would ~~establish a 2-year enhancement program within~~ *require* the Department of Housing and Community Development *to establish, upon appropriation of funds in the annual Budget Act, an enhancement program* for awarding grants to counties and private nonprofit organizations that operate a rapid rehousing program. The bill would require the department to develop guidelines to select 4 counties and private nonprofit organizations to receive these grant funds and require that eligible counties and private nonprofit organizations include those that are eligible to receive funds from the state pursuant to the Emergency Solutions Grants Program with a demonstrated high funding need. The bill would require the department to give priority to counties with existing programs that have demonstrated effectiveness in providing rapid rehousing for homeless individuals and veterans. This bill would ~~appropriate \$2 million for 2 years from the General Fund to the department and~~ require the department to distribute this money equally to each of the selected counties and private nonprofit organizations, less an amount of up to 5% deducted for administrative purposes. The bill would repeal these provisions as of ~~January~~ *July 1, 2018*.

Vote:  $\frac{2}{3}$ -majority. Appropriation: ~~yes~~-no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. The Legislature finds and declares the following:
- 2 (a) In 2013, the United States Department of Housing and Urban
- 3 Development (HUD) reported that California has nearly 40,000
- 4 chronically homeless persons, which is 36 percent of the total
- 5 chronically homeless population of the United States. This is due
- 6 in large part to an insufficient amount of affordable housing in
- 7 California.
- 8 (b) HUD also reported that there are over 15,000 homeless
- 9 veterans in California.
- 10 (c) Several studies, including one by the Journal of the American
- 11 Medical Association, have demonstrated that it is far more cost
- 12 effective and efficient to provide the homeless with permanent,

1 supportive housing through “rapid rehousing” and “housing first”  
2 initiatives. These measures also reduce the cost to governments  
3 of funding shelters and emergency services.

4 SEC. 2. Chapter 1 (commencing with Section 15290) is added  
5 to Part 6.6 of Division 3 of Title 2 of the Government Code, to  
6 read:

7  
8 CHAPTER 1. RAPID REHOUSING ENHANCEMENT PROGRAM  
9

10 15290. For the purposes of this chapter, the following  
11 definitions shall apply:

12 (a) “Department” means the Department of Housing and  
13 Community Development.

14 (b) “Homeless” has the same meaning as defined in Section  
15 576.2 of Title 24 of the Code of Federal Regulations.

16 (c) “Enhancement program” means the program established  
17 pursuant to this chapter for distributing funds to counties and  
18 private nonprofit organizations.

19 (d) “Private nonprofit organization” has the same meaning as  
20 defined in Section 11371 of Title 42 of the United States Code.

21 15290.5. (a) ~~There is hereby established a two-year~~ Upon  
22 *appropriation of funds in the annual Budget Act, the department*  
23 *shall establish an enhancement program in the department* for  
24 awarding grants to counties and private nonprofit organizations  
25 that operate a rapid rehousing program. The department shall  
26 administer the enhancement program.

27 (b) The department shall develop guidelines to select four  
28 counties or private nonprofit organizations to participate in the  
29 enhancement program. Eligible counties and private nonprofit  
30 organizations shall include counties and private nonprofit  
31 organizations eligible to receive funds from the state pursuant to  
32 the federal Emergency Solutions Grants Program (42 U.S.C. Sec.  
33 11371 et seq.) with a demonstrated high funding need. The  
34 department shall select counties and private nonprofit organizations  
35 by giving priority to those counties or private nonprofit  
36 organizations with existing rapid rehousing programs that have  
37 demonstrated effectiveness in providing rapid rehousing for  
38 individuals and veterans of the United States military experiencing  
39 homelessness.

1 (c) Counties and private nonprofit organizations selected to  
2 receive funds pursuant to this section shall comply with the  
3 reporting requirements as required by the department under state  
4 and federal regulations implementing the Emergency Solutions  
5 Grants Program (42 U.S.C. Sec. 11371 et seq.).

6 (d) *The department shall distribute an equal amount of the*  
7 *money received pursuant to this section each year, less any amount*  
8 *deducted for administrative purposes, to each of the selected*  
9 *counties and private nonprofit organizations.*

10 (e) *The department may use up to 5 percent of the money*  
11 *received pursuant to this section for the purpose of administering*  
12 *this chapter.*

13 ~~15291. (a) (1) The sum of two million dollars (\$2,000,000)~~  
14 ~~is hereby appropriated from the General Fund to the department,~~  
15 ~~exclusively to be distributed to the counties and private nonprofit~~  
16 ~~organizations selected pursuant to Section 15290.5 and for the~~  
17 ~~administration of this chapter.~~

18 ~~(2) The department shall use not more than one million dollars~~  
19 ~~(\$1,000,000) of the amount appropriated in paragraph (1) in each~~  
20 ~~year of the enhancement program for the purposes authorized by~~  
21 ~~this section.~~

22 ~~(b) (1) The department shall distribute an equal amount of the~~  
23 ~~money received pursuant to this section each year, less any amount~~  
24 ~~deducted for administrative purposes, to each of the selected~~  
25 ~~counties and private nonprofit organizations.~~

26 ~~(2) The department may use up to 5 percent of the money~~  
27 ~~received pursuant to this section for the purpose of administering~~  
28 ~~this chapter.~~

29 ~~15291.5.~~

30 ~~15291. This chapter shall remain in effect only until January~~  
31 ~~July 1, 2018, and as of that date is repealed.~~